

113TH CONGRESS  
1ST SESSION

# H. R. 2126

To facilitate better alignment, cooperation, and best practices between commercial real estate landlords and tenants regarding energy efficiency in buildings, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 23, 2013

Mr. McKINLEY (for himself and Mr. WELCH) introduced the following bill; which was referred to the Committee on Energy and Commerce

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## A BILL

To facilitate better alignment, cooperation, and best practices between commercial real estate landlords and tenants regarding energy efficiency in buildings, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Better Buildings Act  
5       of 2013”.

6       **SEC. 2. ENERGY EFFICIENCY IN FEDERAL AND OTHER**  
7       **BUILDINGS.**

8       (a) DEFINITIONS.—In this section:

1                             (1) ADMINISTRATOR.—The term “Administrator” means the Administrator of General Services.

4                             (2) COST-EFFECTIVE ENERGY EFFICIENCY  
5                             MEASURE.—The terms “cost-effective energy efficiency measure” and “measure” mean any building  
6                             product, material, equipment, or service and the installing, implementing, or operating thereof, that  
7                             provides energy savings in an amount that is not  
8                             less than the cost of such installing, implementing,  
9                             or operating.

12                             (b) MODEL PROVISIONS, POLICIES, AND BEST PRACTICES.—

14                             (1) IN GENERAL.—Not later than 180 days  
15                             after the date of enactment of this Act, the Administrator, in consultation with the Secretary of Energy  
16                             and after providing the public with an opportunity  
17                             for notice and comment, shall develop model leasing  
18                             provisions and best practices in accordance with this  
19                             subsection.

21                             (2) COMMERCIAL LEASING.—

22                             (A) IN GENERAL.—The model commercial  
23                             leasing provisions developed under this sub-  
24                             section shall, at a minimum, align the interests  
25                             of building owners and tenants with regard to

1           investments in cost-effective energy efficiency  
2           measures to encourage building owners and ten-  
3           ants to collaborate to invest in such measures.

4           (B) USE OF MODEL PROVISIONS.—The  
5           Administrator may use the model provisions de-  
6           veloped under this subsection in any standard  
7           leasing document that designates a Federal  
8           agency (or other client of the Administrator) as  
9           a landlord or tenant.

10          (C) PUBLICATION.—The Administrator  
11          shall periodically publish the model leasing pro-  
12          visions developed under this subsection, along  
13          with explanatory materials, to encourage build-  
14          ing owners and tenants in the private sector to  
15          use such provisions and materials.

16          (3) REALTY SERVICES.—The Administrator  
17          shall develop policies and practices to implement  
18          cost-effective energy efficiency measures for the real-  
19          ty services provided by the Administrator to Federal  
20          agencies (or other clients of the Administrator), in-  
21          cluding periodic training of appropriate Federal em-  
22          ployees and contractors on how to identify and  
23          evaluate those measures.

24          (4) STATE AND LOCAL ASSISTANCE.—The Ad-  
25          ministrator, in consultation with the Secretary of

1 Energy, shall make available model leasing provi-  
2 sions and best practices developed under this sub-  
3 section to State, county, and municipal governments  
4 to manage owned and leased building space in ac-  
5 cordance with the goal of encouraging investment in  
6 all cost-effective energy efficiency measures.

7 **SEC. 3. SEPARATE SPACES WITH HIGH-PERFORMANCE EN-**  
8 **ERGY EFFICIENCY MEASURES.**

9 Subtitle B of title IV of the Energy Independence and  
10 Security Act of 2007 (42 U.S.C. 17081 et seq.) is amend-  
11 ed by adding at the end the following:

12 **“SEC. 424. SEPARATE SPACES WITH HIGH-PERFORMANCE**  
13 **ENERGY EFFICIENCY MEASURES.**

14 “(a) DEFINITIONS.—In this section:

15 “(1) HIGH-PERFORMANCE ENERGY EFFICIENCY  
16 MEASURE.—The term ‘high-performance energy effi-  
17 ciency measure’ means a technology, product, or  
18 practice that will result in substantial operational  
19 cost savings by reducing energy consumption and  
20 utility costs.

21 “(2) SEPARATE SPACES.—The term ‘separate  
22 spaces’ means areas within a commercial building  
23 that are leased or otherwise occupied by a tenant or  
24 other occupant for a period of time pursuant to the  
25 terms of a written agreement.

1       “(b) STUDY.—

2           “(1) IN GENERAL.—Not later than 1 year after  
3           the date of enactment of this section, the Secretary,  
4           acting through the Assistant Secretary of Energy  
5           Efficiency and Renewable Energy, shall complete a  
6           study on the feasibility of—

7              “(A) significantly improving energy effi-  
8              ciency in commercial buildings through the de-  
9              sign and construction, by owners and tenants,  
10             of separate spaces with high-performance en-  
11             ergy efficiency measures; and

12             “(B) encouraging owners and tenants to  
13             implement high-performance energy efficiency  
14             measures in separate spaces.

15           “(2) SCOPE.—The study shall, at a minimum,  
16           include—

17              “(A) descriptions of—

18                  “(i) high-performance energy effi-  
19                  ciency measures that should be considered  
20                  as part of the initial design and construc-  
21                  tion of separate spaces;

22                  “(ii) processes that owners, tenants,  
23                  architects, and engineers may replicate  
24                  when designing and constructing separate

1           spaces with high-performance energy effi-  
2           ciency measures;

3                 “(iii) standards and best practices to  
4                 achieve appropriate energy intensities for  
5                 lighting, plug loads, pipe loads, heating,  
6                 cooling, cooking, laundry, and other sys-  
7                 tems to satisfy the needs of the commercial  
8                 building tenant;

9                 “(iv) return on investment and pay-  
10                 back analyses of the incremental cost and  
11                 projected energy savings of the proposed  
12                 set of high-performance energy efficiency  
13                 measures, including consideration of tax  
14                 and other available incentives;

15                 “(v) models and simulation methods  
16                 that predict the quantity of energy used by  
17                 separate spaces with high-performance en-  
18                 ergy efficiency measures and that compare  
19                 that predicted quantity to the quantity of  
20                 energy used by separate spaces without  
21                 high-performance energy efficiency meas-  
22                 ures but that otherwise comply with appli-  
23                 cable building code requirements;

24                 “(vi) measurement and verification  
25                 platforms demonstrating actual energy use

1           of high-performance energy efficiency  
2           measures installed in separate spaces, and  
3           whether such measures generate the sav-  
4           ings intended in the initial design and con-  
5           struction of the separate spaces;

6           “(vii) best practices that encourage an  
7           integrated approach to designing and con-  
8           structing separate spaces to perform at op-  
9           timum energy efficiency in conjunction  
10          with the central systems of a commercial  
11          building; and

12          “(viii) any impact on employment re-  
13          sulting from the design and construction of  
14          separate spaces with high-performance en-  
15          ergy efficiency measures; and

16          “(B) case studies reporting economic and  
17          energy saving returns in the design and con-  
18          struction of separate spaces with high-perform-  
19          ance energy efficiency measures.

20          “(3) PUBLIC PARTICIPATION.—Not later than  
21          90 days after the date of the enactment of this sec-  
22          tion, the Secretary shall publish a notice in the Fed-  
23          eral Register requesting public comments regarding  
24          effective methods, measures, and practices for the

1       design and construction of separate spaces with  
2       high-performance energy efficiency measures.

3           “(4) PUBLICATION.—The Secretary shall pub-  
4       lish the study on the website of the Department of  
5       Energy.”.

6 **SEC. 4. TENANT STAR PROGRAM.**

7       Subtitle B of title IV of the Energy Independence and  
8 Security Act of 2007 (42 U.S.C. 17081 et seq.) (as  
9 amended by section 3) is amended by adding at the end  
10 the following:

11 **“SEC. 425. TENANT STAR PROGRAM.**

12       “(a) DEFINITIONS.—In this section:

13           “(1) HIGH-PERFORMANCE ENERGY EFFICIENCY  
14 MEASURE.—The term ‘high-performance energy effi-  
15 ciency measure’ has the meaning given the term in  
16 section 424.

17           “(2) SEPARATE SPACES.—The term ‘separate  
18 spaces’ has the meaning given the term in section  
19 424.

20       “(b) TENANT STAR.—The Administrator of the Envi-  
21 ronmental Protection Agency, in consultation with the  
22 Secretary of Energy, shall develop a voluntary program  
23 within the Energy Star program established by section  
24 324A of the Energy Policy and Conservation Act (42  
25 U.S.C. 6294a), which may be known as Tenant Star, to

1 promote energy efficiency in separate spaces leased by ten-  
2 ants or otherwise occupied within commercial buildings.

3       “(c) EXPANDING SURVEY DATA.—The Secretary of  
4 Energy, acting through the Administrator of the Energy  
5 Information Administration, shall—

6           “(1) collect, through each Commercial Build-  
7 ings Energy Consumption Survey of the Energy In-  
8 formation Administration that is conducted after the  
9 date of enactment of this section, data on—

10           “(A) categories of building occupancy that  
11 are known to consume significant quantities of  
12 energy, such as occupancy by law firms, data  
13 centers, trading floors, restaurants, retail out-  
14 lets, and financial services firms; and

15           “(B) other aspects of the property, build-  
16 ing operation, or building occupancy determined  
17 by the Administrator of the Energy Information  
18 Administration, in consultation with the Admin-  
19 istrator of the Environmental Protection Agen-  
20 cy, to be relevant in lowering energy consump-  
21 tion; and

22           “(2) make data collected under paragraph (1)  
23 available to the public in aggregated form and pro-  
24 vide such data, and any associated results, to the

1       Administrator of the Environmental Protection  
2       Agency for use in accordance with subsection (d).

3       “(d) RECOGNITION OF OWNERS AND TENANTS.—

4           “(1) OCCUPANCY-BASED RECOGNITION.—Not  
5       later than 1 year after the date on which the data  
6       described in subsection (c) is received, the Adminis-  
7       trator of the Environmental Protection Agency shall,  
8       following an opportunity for public notice and com-  
9       ment—

10           “(A) in a manner similar to the Energy  
11       Star rating system, develop policies and proce-  
12       dures to recognize tenants in commercial build-  
13       ings that voluntarily achieve high levels of en-  
14       ergy efficiency in separate spaces;

15           “(B) establish building occupancy cat-  
16       egories eligible for Tenant Star recognition  
17       based on the data collected under subsection  
18       (c)(1) and any associated results; and

19           “(C) consider other forms of recognition  
20       for commercial building tenants or other occu-  
21       pants that lower energy consumption in sepa-  
22       rate spaces.

23           “(2) DESIGN- AND CONSTRUCTION-BASED REC-  
24       OGNITION.—After the study required by section  
25       424(b) is completed, the Administrator of the Envi-

1       ronmental Protection Agency, in consultation with  
2       the Secretary and following an opportunity for pub-  
3       lic notice and comment, may develop a voluntary  
4       program to recognize commercial building owners  
5       and tenants that use high-performance energy effi-  
6       ciency measures in the design and construction of  
7       separate spaces.

8       “(e) EFFECT ON CLIMATE CHANGE.—For purposes  
9       of this section, the impact on climate change shall not be  
10      a factor in determining energy efficiency of commercial  
11      building tenants.”.

